



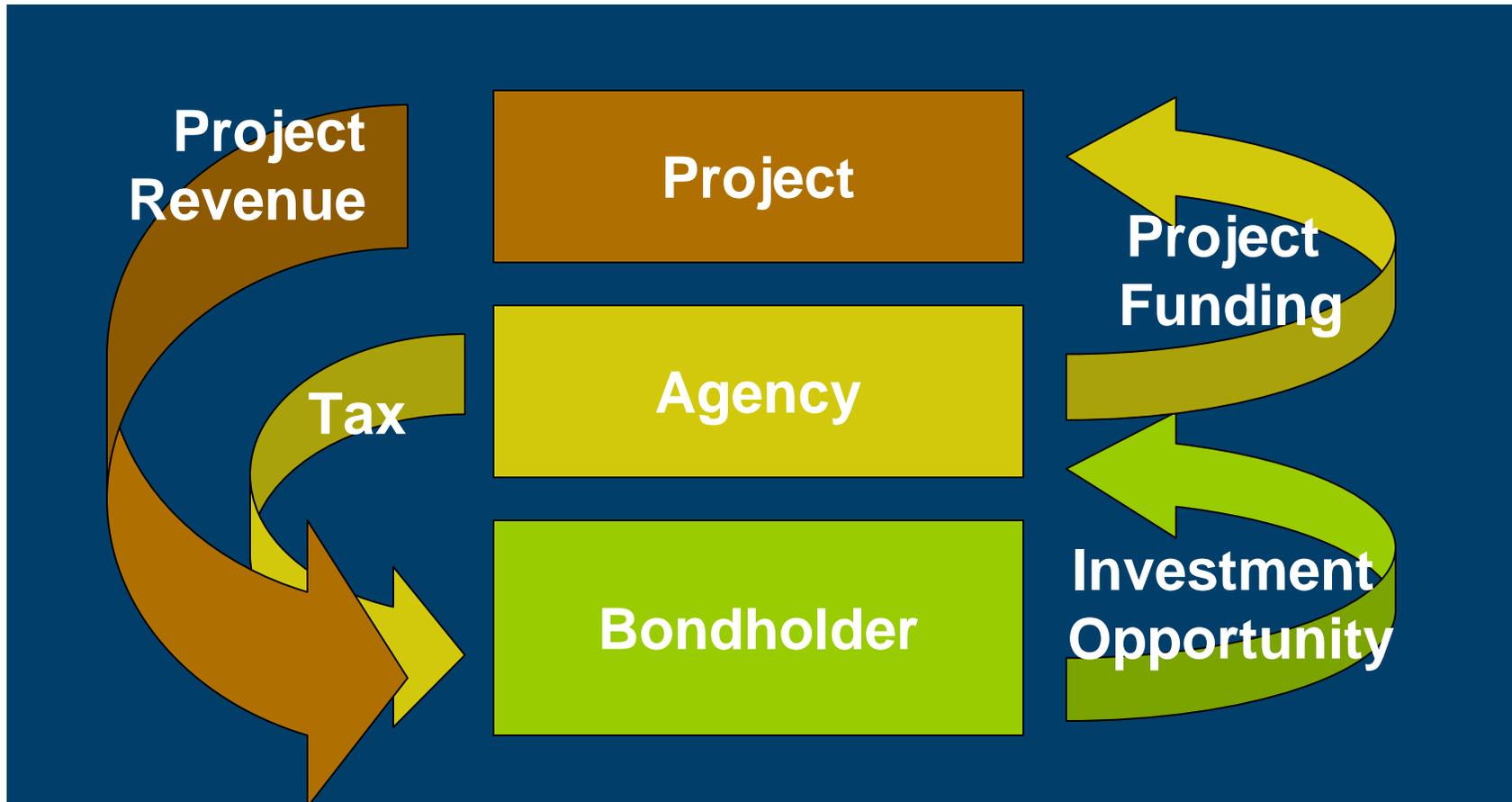
Continuing Disclosure Issues: Material Events

Friday, September 19, 2008

Opportunity



Bonded Financing



Rules

Rule 15c2-12

Requires that an Issuer agree to disclose at least annually a specific list of information, plus any notice of significant events.

Rule 10b-5

Requires that such annual list be

- *accurate*
- *not omit any material information.*

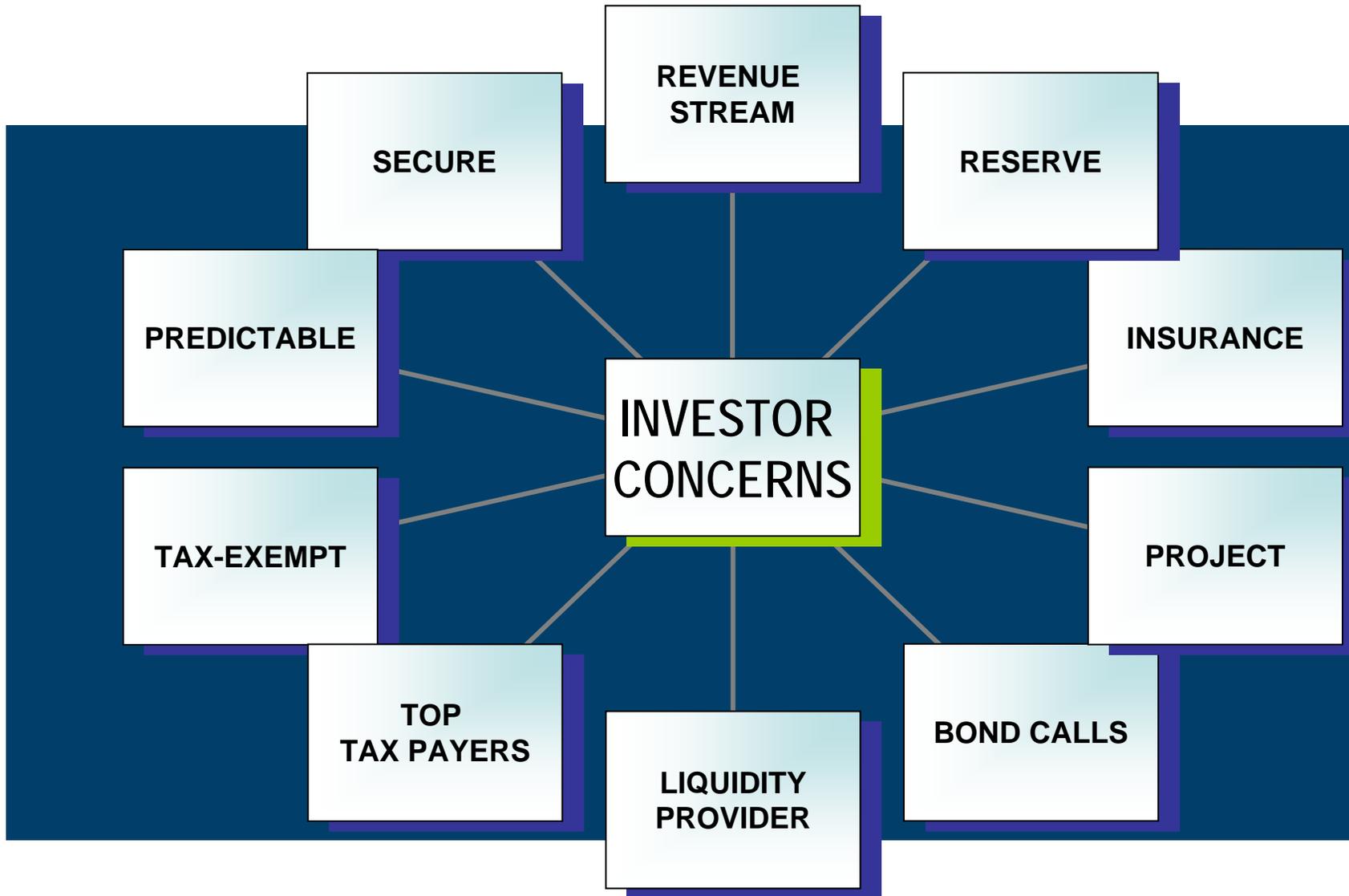
Reality

Rule #1

Investors are allowed 20/20 hindsight in court

Rule #2

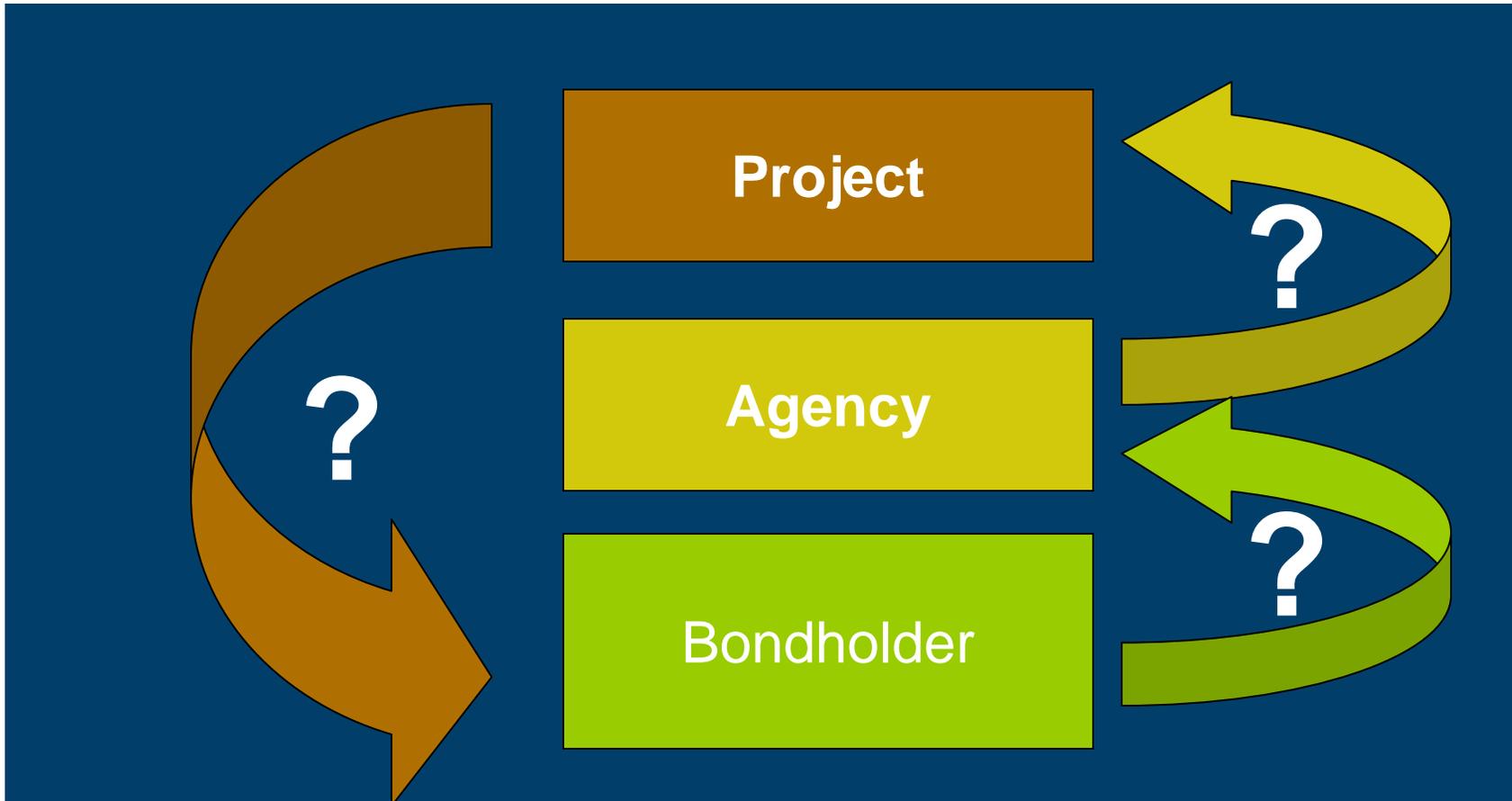
If in doubt about materiality, consider Rule #1

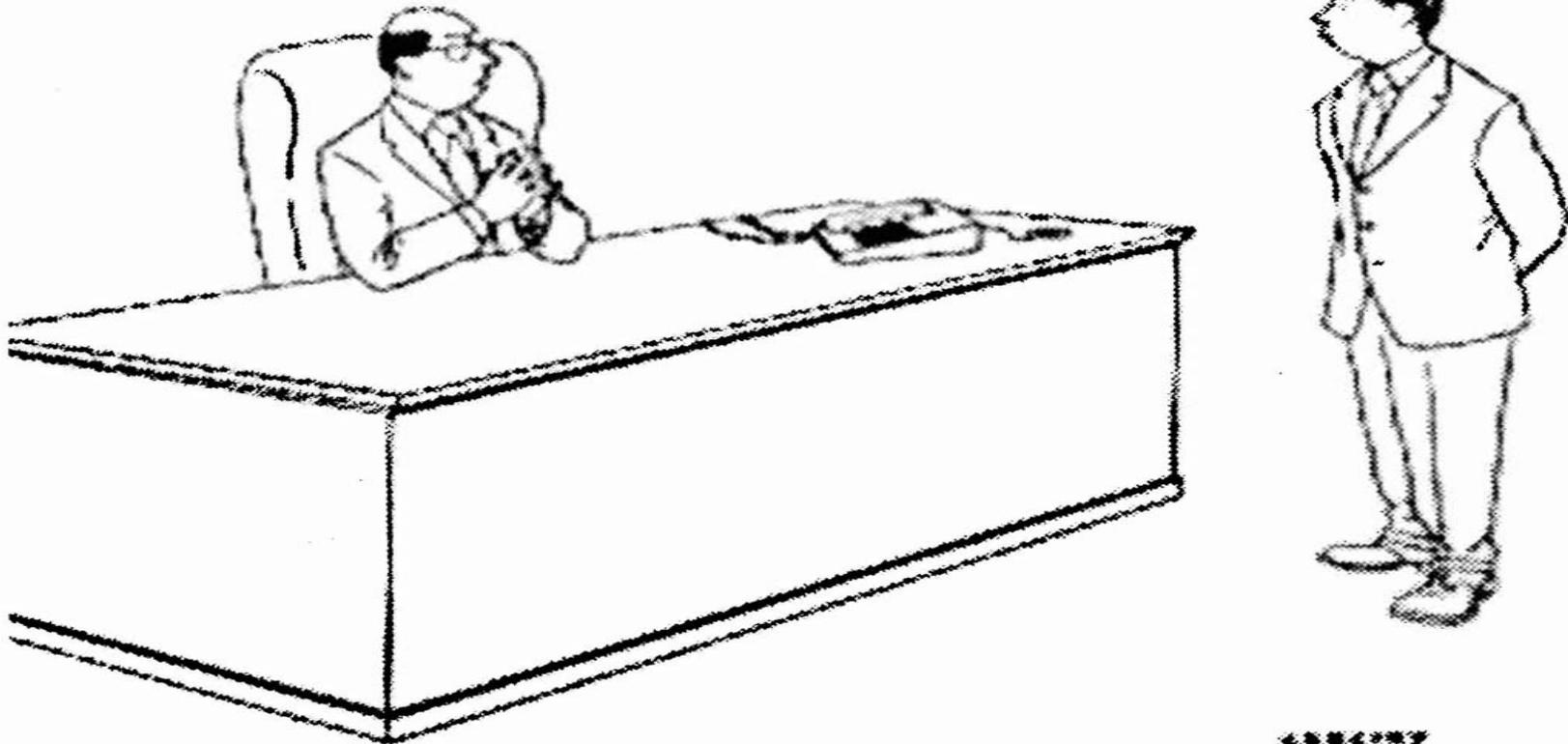


Events

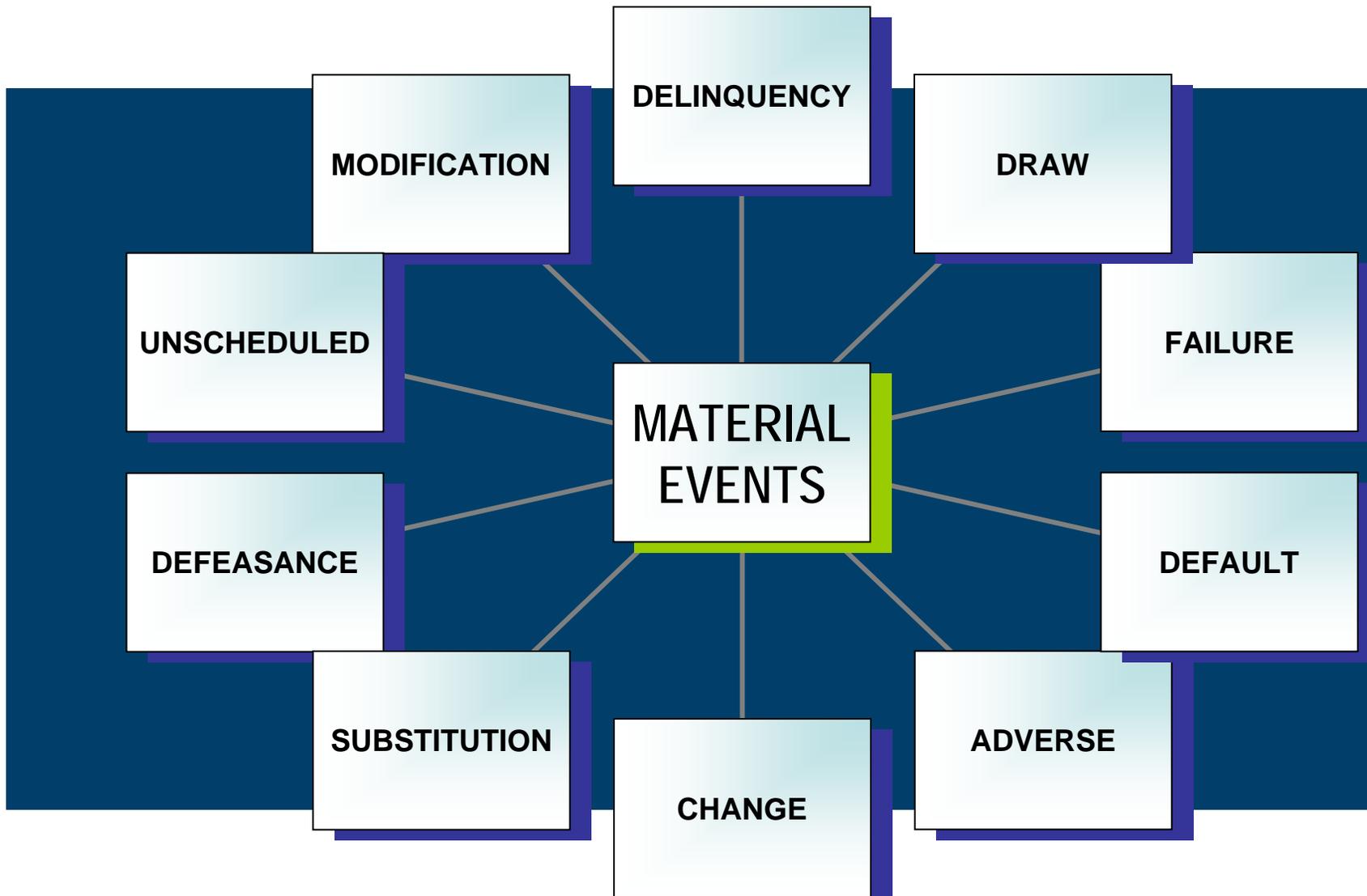


Determining Materiality

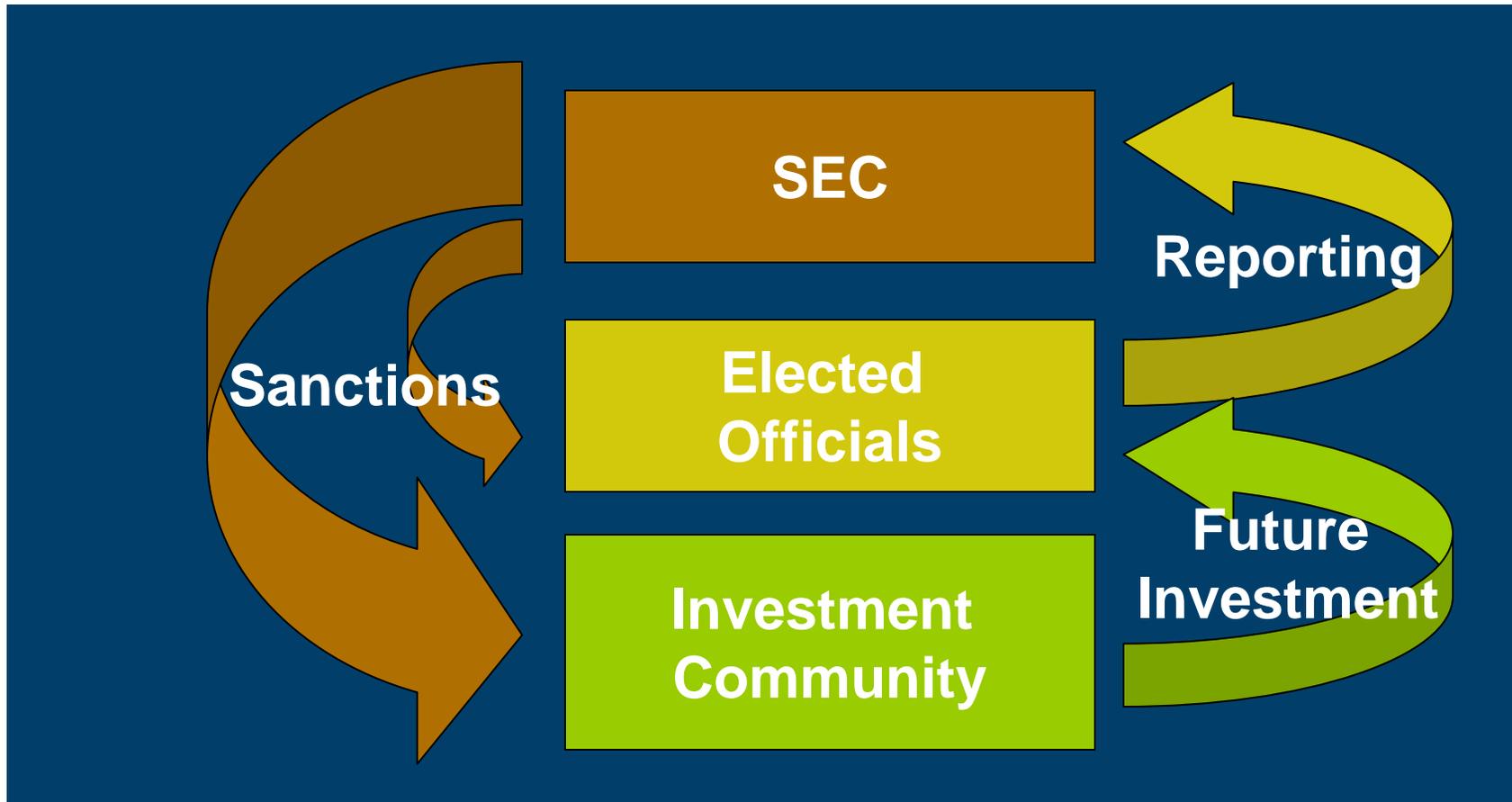




“I’d like your honest, unbiased and possibly career-ending opinion on something.”



Consequence of Materiality



Gaining an Edge

